Cabinet Committee on Economic Affairs for the purpose. The Fund would be operated by the Textile Commissioner, Bombay. The Industrial Development Bank of India has, created a Textile Modernisation Fund, whihch is of the order of Rs. 750 crores. It is expected that about 25 per cent of the Fund will be utilised for providing modernisation assistance to healthy units on the usual terms applicable for such loans. The bulk of the Textile Modernisation Fund would be provided to weak but viable units. The Government of India would be providing IDCI with subsidy for the loss of interest on concessonal loans to weak but viable units at the rate of 8 per cent per annum i.e., the difference between the normal lending rate of 14 per annum and 6 per cent per annum to be charged by IDBI. The amount of the subsidy works out to around Rs. 38.5 crores.

Modernisation of Textile Mills

874. SHRI GURUDAS DAS GUPTA: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that the Government has decided to advance money for the modernisation of textile mills;

(b) if so, how much has been earmarked for (i) the NTC mills (ii) private sector mills; and

(c) what will be the terms and conditions of such advance?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN): (a) to (c) The Government has decided on creation of a Textile Modernisation Fund worth Rs. 750 crores to be operated by Industrial Development Bank of India (IDBI). No specific earmarking of this Fund as between NTC and private sector mills has been done. The IDBI have initiated action on the modalities of disbursement of this Fund.

Steps taken by the Indian Government to stop killings of Tamilians in Sri Lanka

875. SHRI VALAMPURI JOHN: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether Government think that the present proposals made by the Sri Lankan Government would be a beginning of a new crisis since Sri Lankan Government has time and again announced that it would implement the proposals unilaterally if necessary; and

(b) what steps Government have taken to stop the wanton genocide of Tami civilians in Sri Lanka even when Sri Lankan Government has come forward with proposals for autonomy?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN): (a) Government are of the opinion that there can be no solution to the present crisis through unilateral measures. A long term solution can only be achieved through a negotiated agreement between the Sri Lanka Government and the Representatives of the Sri Lankan Tamils.

(b) Government have consistently stressed the imperative need for restraint and eschewal of acts of violence particularly when negotiations have commenced between representatives of the Sri Lankan Tamils and the Sri Lankan Government to find a peaceful and negotiated settlement to the ethnic issue. Government have deplored acts of terrorism against the Sri Lankan Tamils and have reiterated that nothing should be done to jeopardise the efforts that are presently underway for a peaceful political solution. The Indian High Commissioner in Colombo has drawn the attention of the Sri Lankan President to Government of India's concern at the regrettable acts of violence and killings of Sri Lankan Tamil in recent days.